

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Agriculture Department – Seeds – Distribution of Bengal Gram seed during Rabi 2010-11 – Reimbursement of loss sustained by APSSDC – Orders – Issued.

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AGRICULTURE & COOPERATION (FP.II) DEPARTMENT

G.O. Rt. No. 1091

Dated :23.09.2011.

Read the following:

- 1) From the Managing Director, A.P. State Seeds Development Corporation Limited, Hyderabad letter No.SSDC/Mktg./Bengalgaram/2011-12, dated 20.5.2011.
- 2) From the Commissioner & Director of Agriculture, Hyderabad letter No. SC(5)718/2011, dated 25.6.2011.
- 3) From the Commissioner & Director of Agriculture, Hyd., letter No.NFSM/122/2011, dated 30.7.2011.

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**ORDER:**

The Commissioner & Director of Agriculture, Hyderabad in the letter second read above has reported that the Vice Chairperson & Managing Director, APSSDC has submitted the proposal regarding the loss incurred due to differential amount between sale price proposed by the APSSDC and the sale price fixed by the Government for the Bengal gram certified seed distributed by the APSSDC during Rabi 2010-11.

2. The Commissioner & Director of Agriculture, Hyderabad has further reported that an indent was placed with the APSSDC for supply of 2.35 lakh qtl of Bengal gram certified seed for distribution to the farmers on subsidy during Rabi 2010-11. The APSSDC has supplied a quantity of 2.31 lakh qtl to the various districts on subsidy during Rabi 2010-11 which includes 1.46 lakh qtls of its own certified seed production and 0.84 lakh qtl procured and supplied from other sources. The Prices Sub-Committee has fixed the procurement price at Rs.2400/- Per qtl for the own produced Bengal gram certified seed and after adding the processing/incidental charges such as cold storage charges, transportation to the storage, secondary transportation for delivery, packing cost, service charges paid to the distributing agencies has fixed the gross sale price of Rs.3200/- per qtl.

3. The Commissioner & Director of Agriculture, Hyderabad has further reported that during the tenders, the lowest rate was quoted at Rs. 2449/- per qtl. After adding the handling charges of Rs. 250/- per qtl the procurement price was fixed at Rs. 2699/- per qtl and the said rate was communicated to APSSDC.

4. The APSSDC has informed that the Corporation has incurred an expenditure of approximately Rs.500/- per qtl for cold storage charges for 4 months for own produced Bengal gram seed. Due to fixing the procurement price at Rs. 2699/- the returns to APSSDC was only to the extent of Rs.250 per qtl. The APSSDC incurred a loss of Rs. 250/- per qtl for a quantity of 1.46 lakh qtl which was the own produced Bengal gram and requested for reimbursement of loss incurred by them due to reduction of sale price over Rs. 2950/- per qtl which was the minimum price as per their standards to cover all the expenses. The difference in price comes to Rs.251/- per qtl i.e Rs. 368.12 lakhs for a quantity of 146659 qtl., due to reduction of sale price from Rs.2,950/- to Rs.2699/- per quintal.

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5. The Commissioner & Director of Agriculture, Hyderabad has therefore requested the Govt., to issue necessary orders on reimbursement of differential cost of Rs.368.12 lakh towards supply of Bengal Gram JL-11 and Annegiri certified seeds under subsidy during Rabi 2010-11 to APSSDC due to reduction of sale price from Rs.2950/- to Rs.2699/- per quintal from the budget allocation under Normal State Plan 2011-12.

6. After careful consideration of the proposal, Government hereby reimburse an amount of Rs.368.12 lakhs (Rupees three crores sixty eight lakhs and twelve thousand) towards differential amount between sale price proposed by the APSSDC and the sale price fixed by the Government for the Bengal gram certified seed distributed by the Corporation during Rabi 2010-11 i.e., reduction of sale price from Rs.2950/- to Rs.2699/- per quintal, for supplied 146659 quintals of certified seed shall be met from NFSM-Pulses funds.

7. The Commissioner & Director of Agriculture, Hyderabad shall take further necessary action in the matter.

8. This order is issued with the concurrence of Finance (Expr.A&C) Department vide their U.O. No.22044/363/A2/EAC/2011, dated 19.9.2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

V. NAGI REDDY  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
The Commissioner & Director of Agriculture, Hyderabad.  
The Vice Chairperson & Managing Director, A.P.State Seeds Development Corporation Limited, Hyderabad.

Copy to:  
Finance (Expr.A&C) Department.  
OSD to Deputy Chief Minister.  
P.S. to Principal Secretary to Government(Agri.).  
SF/SCs.

//Forwarded::By Order//

SECTION OFFICER